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ECONOMIC AND SOCIAL COUNCIL
Substantive session of 1993
Item 6 (b) of the provisional agenda
SPECIAL ECONOMIC, HUMANITARIAN AND DISASTER RELIEF ASSISTANCE: HUMANITARIAN ASSISTANCE

Letter dated 10 May 1993 from the Chairman of the Committee on the Exercise of the Inalienable Rights of the Palestinian People to the Secretary-General

I have the honour to refer to General Assembly resolution 47/170 of 22 December 1992, which, inter alia, suggested to the Committee on the Exercise of the Inalienable Rights of the Palestinian People to consider convening a seminar on assistance to the Palestinian people in its programme for 1992-1993. In response to that resolution and in accordance with its mandate, the Committee convened the United Nations Seminar on Assistance to the Palestinian People from 26 to 29 April 1993 at UNESCO headquarters, Paris.

The Seminar provided a framework for an exchange of views on various aspects of assistance to the Palestinian people in the occupied Palestinian territory, including Jerusalem and for sharing the experience gained by different sectors of the international community in their efforts in this respect. Major categories of participants in the Seminar were United Nations bodies and agencies already involved in projects in the occupied Palestinian territory, donor countries, regional organizations and intergovernmental and non-governmental organizations active in the field, as well as Palestinian and other experts.

I have the honour to attach for your information the report of the Seminar (see annex) and would like to draw your attention to its concluding chapter, which contains the highlights of the discussion. In particular, there was

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* A/48/50.

general agreement that the question of coordination of international assistance needed to be discussed urgently by all concerned and, in this regard, the Committee has requested me to recommend to you to convene a meeting of representatives of United Nations system organizations, together with officials of the Palestine Liberation Organization, to consider appropriate mechanisms to coordinate and channel assistance and to decide on priorities. In view of the urgency of the situation, the Committee hopes that such a meeting can be convened as soon as possible.

I should be grateful if you would have the text of the present letter, together with the report, circulated as a document of the General Assembly, under agenda item 12, and of the Economic and Social Council, under agenda item 6 (b).

(Signed) Kéba Birane CISSÉ
Chairman
Committee on the Exercise of the
Inalienable Rights of the Palestinian People

ANNEX

UNITED NATIONS SEMINAR ON ASSISTANCE TO THE PALESTINIAN PEOPLE

UNESCO Headquarters
Paris, 26-29 April 1993

Report

NOTE: **A comprehensive report on the Seminar. will be published in due course by the Division for Palestinian Rights**

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INTRODUCTION

A. Organization of the Seminar

1. At its forty-seventh session, the General Assembly in resolution 47/170 of 22 December 1992 recognised the need for convening a seminar on assistance to the Palestinian people and suggested to the Committee on the Exercise of the Inalienable Rights of the Palestinian People to consider convening such a seminar.

2. In accordance with its mandate as reaffirmed by the General Assembly in resolution 47/64A of 11 December 1992, and keeping in mind its ongoing concern with mobilising international assistance to promote the independent development of the occupied Palestinian territory, including Jerusalem, the Committee decided to convene the Seminar as part of its programme of work for 1993.

3. The United Nations Seminar on Assistance to the Palestinian People was held from 26 to 29 April 1993, at the UNESCO Headquarters in Paris.

B. Participation

4. The Committee on the Exercise of the Inalienable Rights of the Palestinian People was represented by a delegation comprising H.E. Kéba Birane Cissé (Senegal), Chairman of the Committee; H.E. Mr. Alcibiades J. Hidalgo Basulto (Cuba), Vice-Chairman of the Committee; H.E. Mr. Victor Camilleri (Malta), Rapporteur of the Committee; and Dr. Nasser Al-Kidwa (Palestine).

5. Invitations to participate in the Seminar were extended to Governments, intergovernmental organizations, United Nations system organizations and agencies, and individual experts. Non-governmental organizations (NGOs) were invited as observers. The following Governments were represented at the Seminar: Australia; Austria; Bahrain; Belarus; Belgium; Bolivia; Burkina Faso; Canada; Chad; Chile; China; Colombia; Costa Rica; Cote d'Ivoire; Cuba; Czech Republic; Democratic People's Republic of Korea; Denmark; Djibouti; Egypt; France; Germany; Ghana; Greece; Holy See; Hungary; India; Indonesia; Iran, Islamic Republic of; Ireland; Italy; Jordan; Kuwait; Lao People's Democratic Republic; Libyan Arab Jamahiriya; Malaysia; Mali; Malta; Mexico; Morocco; Namibia; Netherlands; Nigeria; Norway; Oman; Philippines; Portugal; Qatar; Russian Federation; Senegal; Slovak Republic; Spain; Sri Lanka; Sudan; Sweden;

Switzerland; Syrian Arab Republic; Tanzania; Thailand; Tunisia; Uganda; Ukraine; United Arab Emirates; United Kingdom; Zambia; Zimbabwe

6. The following organizations and agencies of the United Nations system participated in the Seminar: Economic and Social Commission for Western Asia (ESCWA), Food and Agricultural Organization (FAO), International Labour Office (ILO), United Nations Centre for Human Rights, United Nations Centre for Human Settlements (Habitat), United Nations Children's Fund (UNICEF), United Nations Conference on Trade and Development (UNCTAD), United Nations Development Programme (UNDP), United Nations Environment Programme (UNEP), United Nations Educational, Scientific and Cultural Organization (UNESCO), United Nations Industrial Development Organization (UNIDO), United Nations Population Fund (UNFPA), United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), World Bank, World Food Programme (WFP), World Health Organization (WHO).

7. The following intergovernmental and regional organizations were represented at the Seminar: Arab Fund for Economic and Social Development; Commission of the European Communities; Islamic Development Bank; League of Arab States; Movement of Non-Aligned Countries.

8. The delegation of Palestine also participated in the work of the Seminar.

9. The following experts participating in their individual capacity presented papers: Mr. Khaled Haidar Abdel Shafi (Palestinian); Mr. Samir Abdullah Saleh (Palestinian); Mrs. Roselyne Bachelot (France); Mr. Ibrahim Dakkak (Palestinian); Mr. Jean-Michel Dumont (Belgium); Mr. Fritz Froehlich (Austria); Rev. Paul E. Hoffman (Germany); Mrs. Ingbritt Irhammar (Sweden); Mr. Muath Nabulsi (Palestinian); Mr. Yousef Mahmoud Najem (Palestinian); Mr. Mahmoud Okasha (Palestinian); Mrs. Sarah Roy (United States of America); Mr. Yusif Sayigh (Palestinian); Mr. Mohamed Shtayyeh (Palestinian); Mrs. Suzette Verhoeven (Belgium)

10. The following NGOs attended as observers: Association internationale des juristes democrates; Association médicale franco-palestinienne; Australian Council for Overseas Aid; Berliner Missionswerk; Danish-Palestinian Friendship Association; Caritas International; Cimade; Council for the Advancement of Arab-British Understanding (CAABU); Education internationale; Human Resources Development; European Coordinating Committee for NGOs on the Question of Palestine; International Jewish Peace Union; International Union of Family Organisations; Jerusalem Center for Development Studies; La Pierre et l'Olivier; Ligue internationale pour les droits et la libération des peuples; Palestine Red Crescent Society; Parliamentary Association for Euro-Arab Cooperation; Samid School in Denmark; Society for Austro-Arab Relations; World Vision International.

C. Opening of the Seminar and its officers

11. At the opening session, a statement was made on behalf of the Director-General of UNESCO, by Mr. K. Nhouyvanisvong, Assistant Director-General, a.i. for External Relations. A message from the Secretary-General of the United Nations was read by his representative, Mr. Hassen M. Fodha, Director of the United Nations Information Centre, Paris. Statements were also made by H.E. Mr. Kéba Birane Cissé, Chairman of the Committee on the Exercise of the Inalienable Rights of the Palestinian People; and by Mr. Ahmed Abu Ala, Director-General of the Department of Economic Affairs and Planning of the Palestine Liberation Organization. Statements were also made by representatives of intergovernmental organizations.

12. The Seminar was chaired by H.E. Mr. Kéba Birane Cissé (Senegal). H.E. Mr. Alcibiades J. Hidalgo Basulto (Cuba) served as Vice-Chairman. H.E. Mr. Victor Camilleri (Malta) served as Vice-Chairman and Rapporteur.

D. Agenda

13. The purpose of the Seminar was to provide a framework to different sectors of the international community for an exchange of views, expertise and experience on various aspects of assistance to the Palestinian people in the occupied Palestinian territory. It was decided that the report would be submitted to the Economic and Social Council and to the General Assembly.

14. In the plenary sessions and in the course of the subsequent discussions, the participants addressed the following general themes:

- **Assistance to the Palestinian people - priorities and needs.**

  (a) Programme for development of the Palestinian national economy for the years 1994-2000.

  (b) The present situation in the occupied Palestinian territory.

- **The role and experience of the United Nations system.**

- **The role and experience of regional organizations.**

- **The role and experience of countries involved in assistance projects in the occupied Palestinian territory.**

- **The role and experience of Palestinian and international non-governmental organizations.**

SUMMARY OF PRESENTATIONS

A. Opening session

15. After welcoming the participants, Mr. K. Nhouyvanisvong, Assistant Director-General a.i. for External Relations of UNESCO, stressed the commitment of UNESCO to promoting a solution of the educational and cultural problems faced by the Palestinian people. UNESCO had taken action through UNRWA to provide educational services for Palestinian children and had acted in defense of academic freedom and protection of Palestinian cultural heritage. Pending the achievement of the hoped-for political settlement, UNESCO remained committed to supporting the Palestinian people within the area of its competence.

16. In his message to the Seminar, the United Nations Secretary-General noted the international consensus that the search for a comprehensive, just and lasting settlement in the Middle East should be accompanied by an effective role by the international community in promoting economic and social development in the occupied Palestinian territories. The United Nations assistance programme, which began in the late 1970s, had become all the more important in light of developments since the beginning of the intifadah. A concerted effort by all sectors of the international community, was essential in order to help improve conditions in the occupied territories and lay the foundations for a just and peaceful future. Referring to the ongoing peace efforts, the message stated that the United Nations continued to stand ready to help the participants to formulate and conclude a just, lasting and comprehensive peace in the region.

17. The Chairman of the Committee on the Exercise of the Inalienable Rights of the Palestinian People expressed disappointment that the peace negotiations had not yet yielded any tangible agreements. In view of the deterioration of the economic and human rights situation in the occupied territory and pending a sound political agreement, it was of the greatest importance for the international community to promote the safety and protection of Palestinian civilians living under occupation and to provide coordinated and adequate economic and social assistance to them. Israeli occupation policies over the years had made the Palestinian economy highly dependent on and inferior to that of Israel. Recent developments in the region and the continued imposition of repressive measures by the occupying Power had led to a further

deterioration of the situation in the occupied territory. International assistance was required not only to ameliorate conditions but also and primarily to promote the independent development of the occupied territory, in anticipation of full-fledged Palestinian statehood.

18. Mr. Abu Ala, Director-General, Department of Economic Affairs and Planning of the Palestine Liberation Organization (PLO), urged seminar participants to concentrate their attention on the most pressing economic problem faced by the Palestinian people, i.e. stimulating greater assistance from the international community and coordinating it so as to absorb the greatest possible numbers in the Palestinian workforce. It was necessary to revive support for construction and housing activity and for stimulating the production sectors in accordance with the Palestinian programmes and plans and in coordination with the PLO in order to promote the sustainable development of the occupied territory. Pressure should be brought to bear on the occupying Power to eliminate the restrictions and impediments on the flow of assistance and on development projects and to accord the Palestinian people its right to engage in economic decision-making so as to gain control over its national resources and to manage and develop them in accordance with its interests.

Reviewing the experience of various international donors, Mr. Ala stressed the need not only for increased assistance but also for more consistent coordination with the PLO and for more effective international action to overcome the obstacles and restrictions imposed by the occupation authorities. He also drew urgent attention to the deteriorating situation in the occupied territory and called for urgent interim assistance in a number of areas as a form of support for Palestinian efforts to achieve peace. He recommended that a coordinating mechanism for such assistance should be formed consisting of the PLO, the United Nations system, donor countries and organizations, and representatives of the Palestinian national institutions in the occupied territories.

19. Also speaking at the opening session, H.E. Mr. Mohamed Trabulsi, representative of the League of Arab States, and H.E. Mr. Witjaksana Soegarda, representative of the Chairman of the Movement of Non-Aligned Countries, expressed support for a peaceful settlement of the Palestinian question based on the relevant United Nations resolutions and called for an end to occupation and its repressive policies, and for increased international assistance to the Palestinian people in order to enable it to exercise independent statehood. A message of support was also received from the Secretary-General of the Organization of the Islamic Conference.

B. Assistance to the Palestinian people - priorities and needs.

(a) Programme for development of the Palestinian national economy for the years 1994-2000.

20. Yusif A. Sayigh (Palestinian) Co-ordinator, team leader, and editor of the "Programme for development of the Palestinian national economy for the years 1994-2000", made the keynote presentation. He stressed that international efforts would always remain limited in scope and impact so long as the occupying Power retained a firm grip on political and economic decision-making in the occupied Palestinian territory. Donors were therefore strongly invited to help in loosening this grip.

The Palestine Development Programme (PDP) was based on a set of assumptions of critical importance relating to the decision-making and the implementation powers of the Palestinian Interim Self-government authority (PISGA), the right of return of Palestinians displaced in 1967, the return of the territory occupied in 1967 to Palestinian control, including control over water resources. The programme would establish priorities on the basis of urgency; propensity to strengthen linkages among, and within, economic sectors; employment and income-generating capacity; and feasibility.

The objectives were dictated by the particularities of the Palestinian situation which necessitated the establishment of new structures and institutions and the formulation of new policies as well as remedial measures to heal a society and economy emerging from the crippling experience of occupation. The Programme had been prepared by a broad-based spectrum of Palestinian academics and experts from the occupied territory and the diaspora. It had been designed for seven years, the first two as a period of rehabilitation for the economy followed by a five-year phase of active and diversified development on various fronts.

Among the objectives of the PDP Mr. Sayigh listed the correction of deformities in the economy; the creation of employment opportunities; housing; expansion and improvement of the economic and social infrastructure; the promotion of export-generating sectors; the acquisition and internalisation of technological capability; and targeting balance among regions, social and economic groups, and between men and women.

In the implementation of the PDP, strategies would be adopted for the promotion and diversification of production, the mobilisation of diaspora Palestinians, the achievement of self-reliance, and capitalising on international assistance and on the establishment of a society based on fundamental freedoms and respect for human

rights. The total investments required for the seven-year period were estimated at about 11.6 billion US$, over 2 billion of which were expected to come from domestic savings, the balance to be sought as external assistance. The design of the PDP machinery would be guided by the objective of establishing a sound and stable mix of roles and functions among the public, the private, the cooperative, and the mixed private and public sectors.

In conclusion, Mr. Sayigh called on all participants to provide political as well as financial and other support to the Palestinian people in its struggle to rebuild its society and economy.

(b) The current situation in the occupied Palestinian territory

21. Details on the current situation were provided by two Palestinian experts, one from the West Bank and one from the Gaza Strip, who also made a number of proposals for action.

22. Mahmoud Okasha (Palestinian), Dean of Planning and Development at Al-Azhar University, provided an analysis of the economic situation in the Gaza Strip, which had greatly deteriorated after the Persian Gulf war because of the end of inflow of aid from Arab sources, the frequent isolation of the territory by the Israeli forces and the prohibition of thousands of workers from entering Israel. International assistance was therefore badly needed, particularly to develop the industrial sector which was the most promising. Growth had been constrained not only by lack of natural resources but also by the underdeveloped infrastructure, the unstable political and security situation, the scarcity of land and water resources, and the policies of the occupier which had imposed various restrictions and made the economy of the Gaza Strip heavily dependent on that of Israel.

Foreign aid to the Gaza Strip had been highly successful in providing social assistance and relief for very poor people. However, foreign agencies were not yet playing a vital role in economic development and their assistance had not been adequately planned or coordinated. The lack of success of the citrus processing plant project in the Gaza Strip showed the need for dynamic planning and continuous studies to establish the priorities for development.

Political as well as financial and technical support were needed in order to remove constraints imposed by the occupation, create implementing institutions, improve the infrastructure, and develop the private sector. The speaker made a number of recommendations for concrete action by private donors even in the current unstable situation, particularly with regard to investment in productive industries; training in managerial and planning skills, and in new technologies; upgrading and

expanding road networks; supporting the establishment of specialised databanks; supporting the establishment and enhancement of institutions that support private-sector development; and support the establishment and local management of national industrial zones in the Gaza Strip. He also called for the establishment of a reconstruction bank in the Gaza Strip under the auspices of the United Nations in order to undertake many of the tasks of economic development.

23. Muhammad Shtayyeh (Palestinian), Economist at Bir Zeit University, described, analysed and prioritized the current economic situation in the occupied Palestinian territories, the West Bank in particular. The relationship between Israel and the occupied Palestinian territories made them Israeli Bantustans and reduced them to becoming economic satellites of Israel. The occupied Palestinian territories were "conditioned" in various ways to serve the Israeli policies.

The economy of the occupied Palestinian territory had to face many challenges, including the need for structural change, severe resource limitations, and the need to influence the social impact of policies in order for these to be economically effective and viable. The economy of the occupied Palestinian territory was characterised by shortage of most resources, including data and analytical frameworks. The only surplus was the unskilled labour power.

The vulnerability of the Palestinian economy to external economic shocks had been starkly apparent during the Persian Gulf war and after the last closure of the occupied territories. Since 1990 the GDP of occupied Palestinian territory decreased by 12% and the GNP decreased by 14% and construction also decreased by an annual average of 23%. Palestinian remittances decreased from US$340 million to US$120 million a year since the war. The recent closure of the occupied Palestinian territory by Israel was to be seen as a punishment on the Palestinians since it nearly paralysed their daily life and the performance of the economy. This situation increased the unemployment rate to 42% of the total labour force, and affected severely tourism and trade.

The aspects determining the choice of sectors and activities were related to their importance in supporting the absorption of the "returnee" workers both from the Persian Gulf and from Israel. Priority should be given to employment generating projects and the building and preparation of the infrastructure. Training for middle and top management, institution-building and helping existing institutions were of special significance to adapt to the transitional phase of the proposed self-government. Also, the structural change of the Palestinian economy in the transition period was to take account of uncertainty and to build review procedures and flexibility into economic policy. There should be plans and stand-by plans in accordance with the understanding of the transition period and the Israeli intentions.

C. The role and experience of the United Nations system

24. Statements under this theme were made by representatives of United Nations bodies and agencies, as well as by a Palestinian expert.

25. The representative of ESCWA in his presentation summarized the Commission's activities in the occupied Palestinian territories. He also focused on development priorities and prospects which included the following principal areas: (a) development and reconstruction; (b) agriculture; (c) education; (d) sanitation; (e) employment; and (f) organization of seminars, and training. With regard to these rehabilitation and development priorities, the speaker said there was a need for the development of a special fund for reconstruction, assisted by donors, including Arab regional and international funds, development assistance institutions, Governments and other sources of assistance.

The speaker proposed the establishment of a coordination mechanism to enhance efforts of various assistance organizations in the occupied Palestinian territories. The following steps were proposed to accomplish this task: (l) establishing focal points in each of the collaborating assistance organizations to act as Liaison Office within the UNDP Office in Jerusalem; (2) establishing a joint task force, representing various organizations (international, regional, non-governmental, Palestinian) to analyze and pursue the coordination process, and to meet periodically; and (3) building a link between the representatives of the Palestinian people and the United Nations and other development assistance organizations.

26. The representative of the International Labour Office described its efforts since 1974 to improve the conditions of the Arab workers of the occupied territories, in accordance with resolutions adopted by the International Labour Conference. Since 1978, visiting missions had been sent to the occupied territories with agreement and cooperation of the Israeli Government, as well as to Arab capitals. The missions had been useful for evaluating the situation and identifying needs, as a basis for the annual reports submitted to the Conference by the Director-General and for the technical cooperation programme designed to assist workers of the occupied territories. Until now, ILO activities had focused on three priorities: vocational training, training for trade unionists and employers and vocational rehabilitation for handicapped persons. The continuation of the intifadah had increased technical assistance requirements. The Director-General had expressed increasing concern over the policies of the occupying Power which adversely affect the economic and social situation in the occupied territories, and had called for renewed efforts to ameliorate the situation and to promote indigenous economic development.

In conclusion, the speaker stressed the need to give priority to the economy and the development of employment-generating projects; the preparation of a reliable

study of the social sector and the collection of statistics; the need for coordination among NGOs, and between NGOs and the Palestinian interlocutors and for acceptance of on-site UNDP coordination; and for the establishment of a basic education system concerning human rights and civil rights. Other areas also needed to be developed, and the ILO would continue to intensify its efforts in this regard.

27. The representative of the United Nations Centre for Human Rights referred to Israel's international obligations under the Fourth Geneva Convention and human rights instruments which Israel had ratified, in particular the Covenant on Civil and Political Rights, the Covenant on Economic, Social and Cultural Rights, the Convention on the Elimination of Racial Discrimination, the Convention Against Torture, and the Convention on the Rights of the Child. The Committee on the Elimination of Racial Discrimination had concluded that Israel had violated its obligations in the occupied territory and had expressed great concern at the human rights situation there. Concern had been expressed for years by the Special Committee to Investigate Israeli Practices Affecting the Human Rights of the Palestinian People and Other Arabs of the Occupied Territories, the Commission on Human Rights, and its Sub-Commission. At its last session, the Commission had decided to appoint a Special Rapporteur to investigate Israeli violations and had requested him to continue to report to the Commission with conclusions and recommendations, until the end of Israeli occupation.

The United Nations Centre for Human Rights had established various mechanisms to promote and strengthen respect for human rights. Its advisory and technical assistance services offered a suitable framework for strengthening national institutions responsible for the protection of human rights, for developing appropriate legislation, training law enforcement personnel and other administrators in fields relevant to human rights.

28. The representative of UNCHS (Habitat) devoted his presentation to the question of devising a national housing strategy for the Palestinian people. The "Proposed Housing Development Strategy for the Palestinian People" of his organization was based on the Global Straegy for Shelter to the Year 2000. In view of the considerable degree of overcrowding and relatively low level of provision of household facilities in the occupied territory, the objectives of the strategy were as follows: (a) provision of sufficient housing facilities to reduce the room densities of current residents; (b) provision of adequate housing at acceptable standards for returning Palestinians; (c) provision of adequate infrastructure and services to facilitate and support the expanded housing programmes; (d) ensuring adequate provision of housing for the low-income population among the current residents, as well as among the returnees. Also, as it was unlikely that the future Palestinian State would be able to meet the housing needs of low-income groups by public intervention alone, policy options that could increase the capacity of all participants in housing

construction and delivery, and promote public-private cooperation would become increasingly important, particularly during the initial period of independence.

The immediate tasks that had to be carried out under a Palestinian national housing strategy should aim at correcting the distortions within the housing sector that had resulted from the political, legal, financial and institutional constraints imposed by the occupation. It should also aim at providing an adequate housing delivery system based on an equitable distribution of resources and benefits among all income groups of Palestinian society.

The speaker emphasized that the three areas in which action is recommended are the development of a national housing strategy, the establishment of a housing finance system and enhancing the institutional capacity with respect to housing finance and production. As the three areas are closely interrelated, the efforts should proceed simultaneously in each of the three areas.

29. The representative of UNICEF stressed that in the case of the occupied territories his organization's programme had witnessed major progressive changes in the programme implementation and management in order to develop a more competent response to the increasing needs of the Palestinian children and women in the West Bank and Gaza Strip. A staff member based in East Jerusalem was in charge of the operations. Local Palestinian expertise ensured a more realistic insight of the needs and necessary procedures. In 1992, a three-year programme started, where, for the first time, the West Bank and the Gaza Strip had been treated by the Board as a country programme, representing an increase in commitment to Palestinian children. In the first year of the programme, substantial resources had been invested in assessment, planning and testing at the pilot stage, a requirement prior to scaling up activities at the national level.

UNICEF programmes in the field of primary health care, basic education, childhood disability and rehabilitation were carried out in close cooperation with UNRWA and local Palestinian NGOs, in coordination with UNDP. Emphasizing the need for interagency cooperation and complementarity he referred to the joint UNICEF/UNRWA physiotherapy project for Palestinian children physically affected by the intifadah as an excellent example for cooperation.

30. The representative of UNCTAD described the adverse impact of the prolonged Israeli occupation on the Palestinian economy, which, over the period of over twenty-five years, had witnessed significant structural changes. The mechanisms whereby the Palestinian economy could have been articulated to meet Palestinian needs had been eroded and power over economic management had been assumed by the occupation authorities. There were no appropriate Palestinian institutions to manage economic development. Activities at the international level also lacked co-ordination. Since 1979, and particularly since the establishment of its Special Economic Unit in

1985, the UNCTAD secretariat had prepared in-depth economic studies and other technical documents on various aspects of the Palestinian economy, identifying problems and needs and recommending action aimed at reviving the Palestinian economy, as well as developing concrete projects.

The speaker highlighted some points which could contribute to the improvement of the level and quality of assistance by the international community. While external aid had been helpful in cushioning the impact of occupation, its contribution to economic development had been minimal. There were obstacles imposed by the policies of the occupying Power as well as lack of coordination among donors and among Palestinian agencies. Two main considerations determined the nature of action in this regard: the need to deal with the immediate concerns of the Palestinians and the need to prepare the ground for long-term development. To accomplish this, six issues could be identified: (1) a legal framework had to be provided on the basis of international law and relevant United Nations resolutions; (2) the institutional framework in the West Bank and the Gaza Strip had to be strengthened; (3) improvement of marketing; (4) a need to deal with the rapidly growing unemployment; (5) the effective mobilization and allocation of resources; and (6) a need for technical assistance.

The UNCTAD Secretariat had developed various scenarios for development of the Palestinian economy up to and beyond the year 2000 under different assumptions with regard to resource availability and use. Further research and the reassertion of Palestinian control over policy resources were needed before an appropriate policy package could be devised. Areas requiring attention and the establishment of an appropriate infrastructure in the meantime included: a need for infrastructure investments of various kinds, in some cases on a massive scale; a need to encourage domestic saving; a need to encourage modernization and start-up investments by the private sector; limiting the current account deficit; action to deter inflationary pressures; and a need to encourage Palestinian workers to seek employment within the occupied territory.

31. The representative of UNDP pointed out that the Programme, the operations of which started in 1980, would provide technical assistance, as well as capital assistance, and that the assistance programme would be implemented completely by UNDP and not by its normal executing agencies. All projects that were to be implemented in the occupied territories had to be approved by all participants, including the Palestine Liberation Organization. The Programme was allowed to open its office in the occupied territories only in 1986, from then on communication with the Palestinian community and operation in the occupied territories improved considerably.

With the start of the Madrid process, UNDP saw the need for a new, programmatic approach to its work. As a result, it focused on assisting the Palestinians in their institution-building.

The speaker described the activities of the Programme in four main areas: economic development and income generation, social sector, infrastructure, and training. A UNDP programme framework has been formulated, outlining broad objectives of development assistance. First objective is state-building. Second, the economic development and income-generation, particularly in agriculture, industry and trade. Third, human development in order to eliminate disparities among various parts of the population. Fourth, environmental management. In an effort to coordinate donor activities, three lines of action were agreed upon, which include the following: (1) since 1992, at the request of the donor community, annual surveys of all assistance projects have been carried out; (2) the setting up of technical working groups in agriculture, industry, education, health, housing and infrastructure; and (3) the setting up of a common socio-economic database on the occupied territories.

The UNDP representative also described the nature of its relations with the occupying Power in its day-to-day operational activities.

32. The representative of UNEP described the activities of the Programme with regard to the occupied Palestinian territories. These activities started in 1987 and led, in 1989, to the formation of a group of consultants specialising in environmental problems, which undertook to prepare a comprehensive report on the environmental situation. In 1991, UNEP recommended the establishment of environmental information systems for the occupied Palestinian territories as a necessary step for the assessment of the environmental situation. To that end, a group of UNEP consultants recommended this to be done by an institution within the occupied Palestinian territories with technical, financial and training support from outside. From 1989 to 1991, the Programme had also funded training courses on water supply, sanitation and health for environmental health officers dealing with the Palestinian people, aiming at the control of pollution and management of environmentally related diseases, especially in refugee camps and settlements. A second phase of this project for the period of 1992-94 is now in progress. In 1991, UNEP had a joint programming session with the Organization of the Islamic Conference to set the basis for cooperation.

33. The representative of UNESCO described his Organization's engagement in the UNRWA/UNESCO Cooperation Programme and in monitoring the functioning of educational and cultural institutions in the occupied territories. Under UNESCO's UNITWIN project, the Organization and the Steering Committee of the Palestinian European Academic Cooperation in Education (PEACE) programme signed a cooperative agreement, under which six Palestinian universities would be linked to twelve European universities. Related activities were aimed at the establishment of a

Palestinian curriculum development centre. Assistance had also been given to non-governmental organizations in support of pre-school programmes. UNESCO also provided funds for equipment for Palestinian universities, for fellowships for Palestinian students as well as a number of scholarships in the fields of culture and architecture. UNESCO had analyzed the needs of the Palestinian people in the Organization's fields of competence, particularly in education, in order to identify priority areas for consideration by bilateral and multilateral funding sources.

34. The representative of UNFPA said that his agency supported activities in the field of demography and primary health care. In 1986-1990, UNFPA allocated funds to support six fellowships for post-graduate studies in demography and related areas. This training component was part of UNDP-financed programme designed to enhance the educational level of faculty staff for teaching at Bir-Zeit and Al-Najah universities in the occupied territory.

As regards primary health care research in the West Bank and the Gaza Strip, the speaker said that funds had been allocated to support maternal and child health research and training activities at the WHO primary health care research centres. The long-term objective of the project was to strengthen the capacity of the health services of the West Bank and the Gaza Strip to conduct health systems research at the primary and first referral levels and to support the undertaking of research projects specifically dealing with maternal and child health.

Of late, UNFPA, in cooperation with UNRWA, had been assisting Palestinian NGOs involved in providing expanded maternal health services in the West Bank and the Gaza Strip. The Fund approved two projects, for 1993-1994, for expanding these activities in the West Bank and the Gaza Strip.

35. Intervening in the discussion, the representative of UNIDO said that in developing assistance programmes to the occupied territories, it is necessary to consider such elements as fostering increased industrial contacts. For future industrial growth, there would be a need for enterprises within the occupied territories to establish direct contacts with industrial enterprises throughout the world. Considerable resources and expertise have been allocated by the agency to the important question of investment appraisal. Software packages have been developed for the quick screening of potential projects, including feasibility studies. Such packages were available for use in the occupied territories.

36. The representative of UNRWA described his agency's services for a population of more than 2.7 million Palestinians living in Arab countries and the occupied West Bank and the Gaza Strip. The Agency's services and programmes responded, inter alia, to basic needs of the Palestinians, such as for primary education, health care, and relief and social services; to emergency needs, such as

for food aid, emergency medical care, and general assistance; and to structural needs, such as hospital care, environmental health and employment.

UNRWA services had become more vital than ever since the beginning of the intifada, growing emphasis had been placed in recent years on structural needs such as hospital care, environmental care and income generation.

Despite a significant overall expansion of UNRWA services in the occupied territory over the past five years, socio-economic hardship was growing so fast that many of these gains could soon be overshadowed by increased economic instability and soaring unemployment. Deteriorating socio-economic conditions were made more acute by the rapidly worsening security situation. Violence in the occupied Palestinian territory had placed renewed strain on UNRWA's emergency medical care services. Recent events in the occupied territory gave rise to a profound sense of unease: the extended closure of the West Bank and the Gaza Strip, the reduction in the number of Palestinian labourers allowed to enter Israel, the continued disruption of the movement of goods and services between the occupied territory and Israel, and within the occupied territory itself, and the return to very high levels of violence threatened to overtake crucial work to promote sustainable development being done by UNRWA, other United Nations agencies, and international and Palestinian non-governmental organizations.

37. The representative of the World Bank informed the participants in the Seminar that at the request of the sponsors of the Middle East Peace Conference, the Bank had been participating in, and contributing technical analyses to, deliberations of the multilateral working groups on water, environment, and economic development and regional cooperation. The latter group had requested the Bank to expand its contribution to include analyses of the development needs of selected economies of the region including the West Bank and Gaza Strip; and of the current financial flows into the region and estimates of future financial needs to accelerate economic development and support priority regional projects.

A report was under preparation by the Bank based on a field mission carried out in January/February 1993 by five separate teams covering private sector development, agriculture, human resources, infrastructure, and macroeconomics. The mission had consulted both with Israeli officials and with Palestinians who are members of the bilateral or multilateral peace teams. The report would analyse the current economic situation in the occupied territories, assess prospects for sustainable development in the future, and outline the priority agenda for the coming few years for realising the future potential.

38. The representative of the World Health Organization drew attention to the detiorating socio-economic conditions in the occupied Palestinian territories, which has impacted negatively on the traditional health sectors. There had been a decrease

in the quality of care to pregnant women, infectious child diseases, as well as a lack of regular supplies of medicine and shortages in the training of qualified personnel. Health conditions linked to environment worsened. The feeling of being under constant domination had led to an increase in mental health problems, particularly among children. His Agency's efforts were directed to building up primary health centres, to improve the supply of medicines, the equipment of medical centres and the training of medical personnel. WHO had also focused on improving the maternity services of the Red Cross Hospital in Jerusalem. Most of these projects had been implemented, but for some financing was sought from Member States. Priorities of a global health plan included the assistance in elaborating and implementing a general health plan under the responsibility of a "Palestinian Health Council", to improve training, health management personnel and to improve the environment related health standards.

39. Samir Abdullah Saleh (Palestinian), Economist and Associate Professor at Al-Najah University, Nablus, pointed out that the Palestinian economy in the occupied territories was suffering from a stagnation which had persisted since the early 1980s. That stagnation resulted from Israel's policy of limiting developing of the economy through a number of restrictive measures. The Palestinian economy had also become vulnerable to shocks and fluctuations in the Israeli, Jordanian and the Persian Gulf oil countries. The main result of the stagnation had been growing unemployment, especially among university graduates.

As a result of the decline of remittances and financial support, all Palestinian national institutions operating within the occupied territories had faced a severe financial crisis. Israel's restrictions on the movement of Palestinians into Israel and East Jerusalem had had an exceptionally negative effect on the Palestinian economy. The Palestinian economy in the occupied territory was dangerously dependent on that of Israel. Its physical and social infrastructure was thoroughly inadequate, and the deficiency of human resources was a serious problem. The lack of national institutions inside the occupied territories, as well as constraints on existing public institutions posed additional constraints.

It was essential to identify needs and priorities, the Palestinian Development Plan constituted an important step in that direction. Any developmental effort should address the regulatory framework, the lack of infrastructure, preparation of human resources and the lack of institutions, all interrelated areas.

He cited the infrastructure needs of the Gaza Strip as a matter of top priority. A second priority area was urban planning for villages, towns and cities. There was a pressing need for clean drinking water services. Production and availability of electricity in the occupied territories needed urgent improvement. Adequate industrial zones were needed to help stimulate the ailing Palestinian economy.

D. The role and experience of regional organisations

40. This theme was addressed by representatives of regional organisations as well as by a number of European experts.

41. The representative of the Commission of the European Communities said that from 1971 onwards the European Community cooperated with UNRWA primarily on food aid. Until 1980, The Community's aid to the Palestinian population, whether inside or outside the occupied territories, was limited to the refugees. Since 1987, the Community has a specific aid programme for the Palestinians shaped for their needs. The guidelines underlying this programme have been formulated by the Council of Ministers and include the following: (1) aid will benefit the Palestinian population of the West Bank, including East Jerusalem, and the Gaza Strip; (2) The Community will avoid actions that relieve the Israeli Government of its responsibility to maintain and develop the infrastructure of the occupied territories; (3) the Community aid will aim at improving and strengthening the economic, social and productive sectors.

Education and health were singled out as areas to which particular attention should be devoted. The speaker addressed concrete questions of the implementation of development programmes in the occupied territories.

The situation prevailing since 1967 has had its effect on Palestinian non-governmental institutions. Often their structures were weak, they were noncoordinated, understaffed and had little resources. Bearing these shortcomings in mind, the European Communities' programme particularly focuses on strengthening those institutions.

In economic development, priority was given to small-scale job- and income-generating projects in agriculture and industry. The bulk of aid in this sector was channeled through credit institutions, allowing the Palestinians to acquire necessary experience in running their own credit institutions and in assessing the feasibility of concrete initiatives. These elements were part of an overall strategy which aimed at avoiding a potential pitfall of any development aid: the creation of dependence. In the case of the Palestinians, this had become mandatory in the light of a future self-government. Part of this strategy was also a series of concrete activities launched by the Community in the framework of the multilateral track of the Middle East peace process.

Now there were projects under way for the establishment of networks between Palestinians, European and other Middle Eastern partners. They encompassed such activities as university, municipality and media cooperation. Private business interests will be linked across the Mediterranean.

42. Roselyne Bachelot (France), Member of Parliament, focused on the role that could be played by parliamentarians, which had different means to get information and to use it to influence government policy and public opinion. The work in parliamentary commissions, in friendship associations and study groups were efficient examples in that regard. For instance, members of parliament had encouraged the French Government to increase its contribution to UNRWA. Action could also be taken through a member's political party, as well as through local structure. There was also an unofficial national level, within which actions could be taken through various associations established in support of the Palestinian people. Other bodies, such as the Council of Europe, could play a consultative role in shaping the actions of the Government.

The members of such unofficial bodies as the Parliamentary Association for Euro-Arab Cooperation could stimulate contacts between members of Parliament and Palestinian representatives. The Association set up delegations which visited the occupied territories twice each year, meeting with Palestinian leaders and investigating the conditions on the ground.

43. Jean-Michel Dumont (Belgium), Secretary-General of the Parliamentary Association for Euro-Arab Cooperation, spoke of the role of the European Community in providing assistance to the Palestinian people. In 1971, the EEC had begun to make financial contributions to UNRWA, in line with its perception of the Palestinian problem as one of refugees. Over time, its position had evolved towards recognition of the justified grievances of the Arab countries and the Palestinians.

Direct financial assistance for development had begun in 1986 and was governed by three essential rules: it must be intended for the Palestinian population of the occupied territory; the Community would inform the Government of Israel but would not seek its approval for the provision of aid; and it would not cover needs for which responsibility lay with Israel as the occupying Power. The speaker described measures taken by the Twelve in order to ensure Israeli compliance with its decision to grant preferential access of Palestinian products to EEC markets. Measures had also been taken to ensure the reopening of schools in the occupied territory, and a special representative of the Community to the occupied territory had been appointed.

Despite the changes in position and the difficulties experienced during the Gulf War, the Community had continued to provide economic assistance and there were indications that there was a new will on its part to be more involved again in political assistance to the Palestinian people. This was particularly true since Israel was asking the Community to invest in the occupied territory while at the same time its actions were ruining the Palestinian economy.

44. Ingbritt Irhammar (Sweden), Member of Parliament, said that various assistance programmes must be aimed at developing increased self-reliance so that the

Palestinians in different communities would be trained to take over the administration, services, and self-government. Self-determination and statehood should be preceded by a period of capacity-building and strengthening of Palestinian institutions. As regards planning for the future as an independent State, she felt that it was necessary for Palestinians to think more in terms of practical planning than in political terms.

Recalling a recent visit to the occupied Palestinian territory, the speaker stated that there was a need for programmes aimed at improving the environment, particularly waste management, and improving the situation of Palestinian women. Women's centres were needed for the occupied territory, as meeting places, and places where child-spacing programmes could be introduced and discussed. There was a great need for employment-generating projects. However, donor resources were repeatedly being wasted because of the Israeli closure of the occupied territory and other destructive actions against Palestinian economic development.

By creating a confidence-building atmosphere, the peace process would be given a chance to bring peace to this part of the Middle East.

E. The role and experience of countries involved in assistance projects in the occupied Palestinian territory

45. Representatives from donor countries as well as a number of experts made presentations under this theme.

46. The representative of Sweden stressed the importance of the principles of the peaceful settlement of disputes; the ban on the acquisition of territory by force; and the right of all States, including Israel, to live within secure and internationally-recognized borders. Israel's occupation of Palestinian territory should be brought to an end on the basis of Security Council resolutions 242 (1967) and 338 (1973), which embodied those principles.

He said his country had decided to initiate a long-term bilateral development programme with the Palestinians living in the occupied territories. That assistance aimed at alleviating acute suffering in the territories and reducing Palestinian reliance on Israel, particularly in the health and social sectors. It also aimed at helping to develop a social structure that could be the base of a future society free from occupation. It was intended to contribute to economic development in order to stimulate employment. It also aimed at alleviating the situation of the Palestinians in terms of the enjoyment of human rights.

Sweden channeled much of its multilateral assistance through UNRWA, while its bilateral efforts focussed on health, human rights and institution-building. He said

a dialogue had been opened with the Palestinian political leadership, aimed at making a modest contribution to the institutions of a future Palestinian state. In general, Sweden's financial contributions to all these efforts were not earmarked. However, the projects involved should strengthen the basis for independent Palestinian economic development.

47. The representative of Spain reaffirmed his country's commitment to the Palestinian people. His country contributed through UNRWA and through the European Community's aid programmes, as well as bilaterally. With regard to the different projects, there were difficulties in the selection and implementation, a need for a better definition, a better control of their implementation and a better coordination among the various Palestinian institutions. It was necessary to formulate an overall plan of action with the participation of the main donor countries.

The Israeli occupation had seriously harmed the economy of the Palestinian territories and the overall situation was not favourable for economic assistance. The lack of a central Palestinian economic authority in the territories posed a serious obstacle as well as the absence of coordination among the various recipients. The isolation from the international economy and the absence of independent Palestinian financial institutions were also among the detrimental factors.

With the start of the peace process a new situation has been created. The main goal should be the creation of a Palestinian economic structure in the territories. The peace process should lead to a provisional Palestinian administration with authority to establish a viable economic structure. An urgent task was the establishment of a Palestinian development council to coordinate international assistance efforts.

48 The representative of Italy said that Italy is one of the major donors in development assistance to the occupied territories, particularly in the health sector. As regards multilateral initiatives, Italy has proved to be among the main supporters of UNRWA and UNDP activities in the occupied territories. In 1991 and 1992, at Italy's request, UNRWA allocated part of the Italian voluntary contribution to such sectors of special interest for the country as health, vocational training, housing, environmental rehabilitation in a refugee camp, and socio-economic needs. Specific projects were carried out together with the UNDP.

The speaker described a number of important cooperation activities carried out by Italian NGOs, including the micro-projects currently under way.

With respect to future activities, Italy, together with the Palestinian representatives, was studying plans for a number of projects in the West Bank and the Gaza Strip.

49. The representative of France said that the central purpose of French assistance to the Palestinians in the occupied territories was to train qualified personnel at the higher or intermediate levels in the sectors of agricultural and industrial development, health, and school and university education.

The speaker described in detail the principal areas of the assistance which France provided to the occupied Palestinian territories, which included economic assistance; assistance in the sectors of health, and school and university education, support and exchanges in the area of culture and communication, and cooperation in the media sector. Various French Government departments, and NGOs had mobilized extensive resources for the cooperation with the Palestinians in the occupied territories. The Consulate-General of France in Jerusalem played the role of initiator, coordinator and monitor. The primary authority in these efforts lay with the relevant directorate of the Ministry of Foreign Affairs.

With the prospects of autonomy, French assistance was embarking on a new course through the launching of an additional programme for the training of qualified administrative and technical staff and the allocation of financial resources capable of facilitating productive investment.

50. Ibrahim Dakkak (Palestinian), Development Consultant, focused on the question of conflicting agendas of donors and that of Israel, as the occupying Power. Also considered were the issue of the interaction between the Palestinians and the donors, as well as the factors that influence this interaction. The Palestinian decision-making has been affected by donor institutions, which have their own interests, roles and motivations with regard to operating in the occupied Palestinian territory. The following points characterized this situation: (a) the rising popularity of "shopping lists" to be financed at the discretion of the donors; (b) the inclination of some donors to address the Palestinian needs through selective and individual activities; (c) failure by donor institutions to synchronize their readiness to address material needs of the Palestinians simultaneously with the inalienable rights of the Palestinian people. The approach adopted by the donor institutions, as defined above, led, voluntarily or otherwise, to the perpetuation of the status quo with all the political implications and dangerous consequences.

The speaker also discussed the issue of establishing business-like future relationship between the Palestinian institutions and donor agencies.

51. Sara Roy (United States of America), Research Associate at Harvard University, focused on the Gaza Strip, whose problems, she said, were more acute than those of the West Bank. The combination of severe economic erosion, gross insecurity, rapidly deteriorating living conditions, and continued political inaction had produced a state of extreme psychological exhaustion among the people, and a kind of collective self-withdrawal. New and damaging trends, as increased factionalism, the

growing divide between the Gaza Strip and West Bank populations, and the traumatization of Palestinian youth, threatened to destroy civil society itself.

Growing factional rivalries were being played out at the institutional level where struggles occured for control of existing institutions and over the creation of new ones. These struggles seriously impaired the viability of institutions particularly with regard to their ability to deliver services, which resulted in the creation of constituencies rather than the creation of structures.

Foreign assistance providers were, directly or indirectly contributing to factional divisions, since, in what constituted a major change in orientation, they were working increasingly with those groups which were politically active.

Another problem contributing to the internal fragmentation of Palestinian society were the seemingly divisions between the West Bank and Gaza Strip. These divisions, which were historical in nature, were in part based on very real problems, which were tied to the discriminatory allocation of resources and to the lack of control Gazans had over them. Although Palestinians themselves must address these divisions, foreign assistance providers must be careful not to contribute to existing tensions and divisions.

The most urgent problem in the territories was the traumatization of Palestinian youth, particularly in the Gaza Strip. Children were increasingly incapable of conceptualizing authority in traditional terms. Resocializing children would be the most critical problem facing Palestinian society into the future.

It was necessary for foreign donors to change the status quo rather than just work within it. The foreign assistance community was now in a unique position to apply its untapped leverage in that direction. Recommendations include exerting pressure on the Israeli Government to lift restrictions on a variety of economic activities, support projects in training and education, mental health and other organized productive activities for youth, and attempts should be made to address the specific needs of the Gaza Strip.

52. Suzette Verhoeven (Belgium), Senator, outlined her country's historical support for the Palestinian people. It was only in 1950 that Belgium had recognized the State of Israel, with a reservation concerning that country's territorial limits. Belgium had always supported an overall global approach but insisted on the importance of Europe's role. It supported Palestinian self-determination, as well as Israel's right to exist, but called upon Israel to withdraw from the occupied territories.

She said her country would encourage any effort aimed at bringing about peace in the region, including recognition of the positive role to be played by the PLO. Belgium provided special assistance to UNRWA during the Persian Gulf war, to help

address the increased difficulties facing the Palestinian population in the occupied territories. It had also supported the efforts of Médecins sans frontières in the territories. Palestinian scepticism about the peace process might explain the current increase in violence and hatred in the territories. It was now to take the measures that were essential for restoring peace.

F. The role and experience of Palestinian and international NGOs

53. A number of representatives of European and Palestinian NGOs and Palestinian experts made presentations under this theme.

54. Khaled Haidar Abdel Shafi (Palestinian), Economist in Gaza, addressed the issue of needs and priorities in the field of human resource development and institution-building in the Gaza Strip. He pointed out that there were several constraints to the development of the Gaza Strip, the main of which were the following: restrictive policies by the occupying Power; inadequacy or non-existence of the economic and physical infrastructures on which development depends; the negative effect of the Persian Gulf war on development opportunities in the Gaza Strip; and the recent closure of the territory, which prevented about forty thousand Palestinians from earning their living in Israel.

Taking those facts into consideration and in view of the lack of a national central body to insure coordinated intersectoral planning, he analyzed existing opportunities under the present situation for promoting sustainable development and the contribution that could be made by donor agencies. Human resource development was a central issue for the Gaza Strip which lacked other resources. Education and training were of particular importance, and there was a need for rehabilitation of the existing school system in the Gaza Strip, teacher training, and new technologies. Support should be provided for institutional development focusing more on enhancement of management and administration of post-secondary institutions and vocational training centres.

Compared with the West Bank, the institutional infrastructure of the Gaza Strip was underdeveloped because of bureaucratic constraints and policies of the occupation authorities, lack of support for development by adequate institutions, and neglect of the Gaza Strip by donors. The existing and new institutions in the territory could be strengthened through providing technical assistance and training, improving access to and use of information resources both within and without the Gaza Strip, and through the improvement of the collection, analysis and distribution of data and information for use in public and private sectors. A major prerequisite for the success of this process will be the specialization of the institutions and an adequate level of

communication among them by way of exchanging publications, distributing and using directories and databases.

55. Fritz Froehlich (Austria), Representative of the Society for Austro-Arab Relations and interim coordinator of the Network of European NGOs working in the occupied Palestinian territories (NENGOOT), spoke about the scope and limitations of the involvement of the European NGO community in the occupied Palestinian territory. He was of the view that it was spotty and inconsistent. Over one third of European NGOs were church-related or affiliated, more than a dozen were working exclusively in the field of health. For a variety of factors, their programmes were limited in scope and areas of intervention and only a few of the NGOs had elaborated a coherent country programme. There was no continuity in development plans and outlays, and rarely any meaningful evaluation or monitoring. A serious problem in NGO activities in the occupied territory was government interference or at least influence, based often on political rather than professional considerations.

He proposed ways of making the NGO involvement in the occupied territory more relevant and effective, namely: (l) the adoption of an NGO development code of practice, originally proposed at the ECCP-NENGOOT1/ Brussels conference of September 1992; (2) the systematization of information exchange; (3) increasing the numbers of Euro-NGO representatives physically present in the occupied Palestinian territory; (4) furthering the coordination process by allocating appropriate funding and organizing of annual conferences on assistance to the Palestinian people; (5) clear definition of communication channels for all parties involved; (6) creation of a growing "protected development space"; (7) enrichment of the discussion of development coupled with a departure from some of the negative individualism which had sometimes characterized NGO institutional behaviour on both sides; and (8) creating the base for an overall intersectoral approach to development.

56. Rev. Paul E. Hoffman (Germany), representative of the Berliner Missionswerk, speaking on behalf of the European Coordinating Committee for NGOs on the Question of Palestine (ECCP), pointed out that European NGOs had been involved directly or indirectly in Palestinian development for over a century and a half. In his view the current challenge was the need to establish a framework for ongoing NGO involvement in development. It was up to the Palestinians themselves to take their own development into their own hands. Nevertheless, the international community should help ensure the establishment of a political context for an overall framework for Palestinian national development. Without such a framework, non-

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1/ The European Coordinating Committee for NGOs on the Question of Palestine (ECCP) and the Network of European NGOs working in the occupied Palestinian territories (NENGOOT) held a conference "Palestine: Development for Peace" from 28 September to 1 October 1992 at Brussels.

governmental involvement in Palestinian development would reinforce the existing distortions and actually fragment Palestinian development efforts.

An ongoing process of consultation within the community and among non-governmental organizations would help hasten the development process. Such a process would also help avoid duplication and competition. Out of consultation should arise coordination of effort.

He stressed the role to be played by the ECCP. He cited the need for consultation and coordination on a sector-by-sector basis, as needed. That process should include an organized and focussed exchange of information within the occupied territories, as well as between the territories and Europe. It should also include European regional and national consultations on Palestinian development and coordination.

The ECCP remained ready to help in organizing such a process. It was convinced that such consultation and coordination would promote a just and lasting settlement to the question of Palestine that was consistent with principles enunciated by the United Nations.

57. Mr. Muath Nabulsi (Palestinian), President of the Nablus Chamber of Commerce, pointed out that the chambers of commerce in the occupied Palestinian territories were engaged in protecting the interests of the Palestinian merchants and industrialists. But due to the occupation, and the fact that the economic policies were drawn and implemented by the occupying Power, these chambers faced many obstacles of which, the inability to get permits to develop the economic sectors in the Palestinian interests, the restrictions on the movement of people and goods, the restrictions on foreign trade in terms of imports and exports, the high and unfair taxation policies and the cruel means of tax collection, the confiscation of land and water resources, the absence of a viable banking system, and the refusal of the international companies to appoint agencies in the occupied territories were among other problems summarized in his paper.

He urged the international community to participate in solving part of those problems, in particular in the following areas: participation in the equity of some Palestinian firms through joint ventures, location of agents by foreign companies in the occupied territories, opening of foreign markets for the Palestinian products, application of the GSP, provision of space for the Palestinian products in the international exhibitions, facilitation of the imports of machines and equipment needed for industry through payment facilities, financing imports through banks, participation in the equity of Palestinian financial institutions, assistance for the establishment of industrial cities, and the Centre for Standardization and Specifications.

58. Yousef Mahmoud Najem (Palestinian), Member of the Board of Directors of the Gaza Chamber of Commerce, described the policies of the occupying Power since 1967, which link the Palestinian economy to that of Israel, and allow it to function only depending on Israeli needs and plans. This situation hampered the ability of Palestinian capital to mobilize its potential. The private sector had been confronted with numerous obstacles, of a legal, financial, procedural, and political nature, as well as lack of access to information. Developing the private sector could not be accomplished in the absence of a legal framework.

To lay the foundation for serious plans to develop the private sector, the following steps should be taken: (1) all the military laws, orders, regulations and procedures hampering investment must be cancelled; (2) Palestinian financial, consultative, marketing and administrative institutions must be built up. The speaker urged all international organizations and NGOs to extend all types of support, both technical and financial to the Palestinian Chamber of Commerce to make it a link between the local Palestinian businessmen and the business sector abroad in addition to its basic role in guiding investors and merchants. He offered a configuration of desirable assistance programmes, including technical assistance to industries, administrative enhancement, mass communication, human resources development, and regular meetings and mutual visits between Palestinian and European businessmen.

H. Closing session

59. ABOU KOSH, representative of Palestine, expressed appreciation for the participants' deep concern for the deteriorating conditions of the Palestinian people living under occupation and cited their concern about the need to restructure the Palestinian economy and to establish national institutions, which were needed during the transition period.

There was a need to move speedily to meet the urgent and future needs of the Palestinian people. Pressure must be exerted on Israel to remove all obstacles impeding development and hindering external aid. Machinery should be set up under the direct authority of the Secretary-General to coordinate international assistance, including that provided through United Nations bodies. All those bodies must have equal access and opportunity to carry out their work in occupied Palestine.

Development efforts required enhanced consultation between assistance bodies and the PLO. He expressed appreciation for all such efforts to assist the Palestinian people, adding that constructive assessments of such aid should not be taken as criticism.

60. In his concluding statement the Chairman of the Committee on the Exercise of the Inalienable Rights of the Palestinian People referred to the grave situation in the occupied territories and stressed that the Committee had repeatedly affirmed the United Nations' duty and responsibility to render all assistance necessary to meet the emergency needs of Palestinians under occupation and to promote the social and economic development of the occupied Palestinian territory in preparation for the exercise of national sovereignty. The Committee would continue to maintain this as a priority issue in its work programme and would continue to make efforts in this regard.

He welcomed the Palestinian development programme, which was introduced during the Seminar, and urged the international donor community and United Nations system organizations to formulate their activities in the light of that plan and in cooperation with the PLO. He expressed appreciation for the perceptiveness, skill and determination of the participants in the Seminar.

CONCLUDING POINTS

In the course of the deliberations the following points were highlighted:

61. Participants commended the Committee on the Exercise of the Inalienable Rights of the Palestinian People for convening the Seminar on Assistance to the Palestinian people at a time of great importance for their future. They expressed their firm desire to make a concrete and useful contribution to helping the Palestinian people exercise its right to self-determination and development and to achieve a just peace. They considered that the wide and constructive participation in the Seminar by Governments, United Nations system organizations and agencies, intergovernmental and non-governmental organizations and agencies, had greatly contributed to its success.

62. It was felt that the Seminar had been useful in identifying the nature and extent of existing assistance programmes. Appreciation was expressed for the efforts already made by Governments, intergovernmental and regional organizations, United Nations system organizations and agencies as well as NGOs in this regard, and for their readiness to continue and increase their financial and technical assistance in the fields of emergency, relief and development programmes.

63. It was also felt that the Seminar had been useful for discussing the current and future needs of the Palestinian people, as articulated by the Palestinian representatives themselves, and for highlighting the importance of continued and increased assistance to the Palestinian people by the international community as a whole. Appreciation was expressed for the opportunity offered by the Seminar for a candid and

constructive analysis of the experience of various donors and United Nations system organizations and agencies and of the problems encountered on the ground.

64. Deliberations showed a growing expectation by the international community that a threshold had been reached in the long history of the Palestine question, and that the Palestinian people would soon be able to take charge of its own future and to exercise its economic, as well as political decision-making. Participants were of the view that a comprehensive Palestinian national development plan would be a major factor in achieving the independent development of the Palestinian people. They felt the need for undertaking coordination between various donors and United Nations system organizations and agencies, and the Palestinian central authority. In this connection they welcomed the introduction of the Palestine Development Programme prepared by the Department of Economic Affairs and Planning of the PLO and the explanations given about it.

65. Serious concern was expressed about the grave and deteriorating economic and social situation in the occupied Palestinian territory in consequence of recent developments. Participants underlined that Israeli policies were principally responsible for the current situation. Israel, the occupying Power, had an obligation to respect the provisions of the Fourth Geneva Convention, Security Council resolutions, and international human rights instruments which it had ratified.

66. It was pointed out that the Israeli economic policy towards the occupied Palestinian territory had resulted in its underdevelopment and dependence on the Israeli economy. It was also stated that Israel had used its control over the occupied territory to prevent, or put obstacles in the way of, assistance projects aimed at promoting the independent development of the Palestinian people.

67. Participants called on the international community as a whole to press Israel to lift the current siege in the occupied territory; to remove all barriers to development; and to permit the free operation on the ground of United Nations system organizations and agencies, and others delivering assistance to the Palestinian people.

68. Participants were of the view that the international assistance programmes would be enhanced by greater and more effective coordination among United Nations system organisations and agencies and between them and other donors, and by elaboration of an overall strategy framework to guide their work.

69. Participants discussed various courses of action that should be followed by the international community in order to make its contribution more effective. The view was expressed that international assistance should be targeted and delivered so as to meet Palestinian priorities, and to help loosen the grip of the occupation and to promote the independent development of the Palestinian people. It was noted with

appreciation that certain Governments and organizations had been successful in delivering their assistance outside of Israeli control.

70. The Seminar participants noted the experience of various organizations in the area of coordination and suggestions as to possible mechanisms made by speakers. There was general agreement that this question needed urgently to be discussed further at an appropriate level by all concerned in order to develop ways of using the limited resources of the international community as efficiently as possible. The Committee was therefore asked to recommend to the United Nations Secretary-General to convene a meeting of representatives of United Nations system organizations and agencies, together with PLO officials, to consider appropriate mechanisms to coordinate and channel assistance, and to decide on priorities.

71. Participants called for urgent action by the international community to meet the emergency needs of the Palestinian people living under occupation and identified a number of specific areas requiring such action, particularly in the Gaza Strip, as the current grave conditions threatened to exacerbate tension and violence in the area.

72. It was also stressed that significant assistance projects that could help promote Palestinian development could and should be undertaken immediately, particularly in areas relating to development of production, employment generation, and training, in light of the strategies and priorities established in the PDP as explained in the course of the seminar. A call was made for increased assistance by the international community in order to enable the Palestinian people to achieve self-determination and self-reliance and thereby promote a just peace in the region.